

INDUSTRY CIRCULAR



OFFICE OF THE COMMISSIONER OF INTERNAL REVENUE
ALCOHOL AND TOBACCO TAX DIVISION

WASHINGTON 25, D. C.

Industry Circular No. 59-2

January 26, 1959

PERIOD OF LIMITATION REGARDING CLAIMS FOR REFUND OF TOBACCO TAXES

**Manufacturers and importers of tobacco products;
and proprietors of customs bonded cigar
manufacturing warehouses, class 6:**

Purpose. The purpose of this industry circular is to advise you of the applicability of the period of limitation in section 5705(c) of the Internal Revenue Code of 1954, as amended by Public Law 85-859, to claims for refund of taxes on tobacco products.

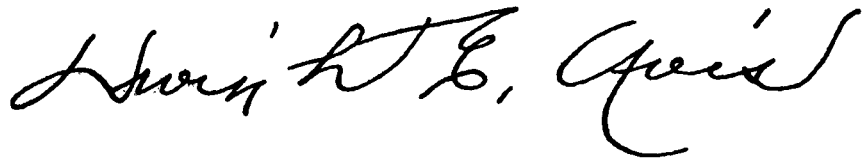
Background. We have received inquiries as to whether the new law makes eligible for refund the tax on tobacco products denoted by stamps bearing any series number.

Effect of New Period of Limitation. The Chief Counsel for the Internal Revenue Service advised that Public Law 85-859 does not operate to revive the right to a refund of tax which right had been previously barred by the applicable statutory period of limitation. Therefore, its enactment did not make eligible for refund the tax on tobacco products denoted by stamps of series 123 and earlier series, since these stamps were purchased under the Internal Revenue Code of 1939, and, therefore, were redeemable under the 1939 Code. The last date for filing claims in connection with the withdrawal from the market of tobacco products bearing series 123 stamps was December 31, 1956. As to stamps of series 124 and 125, the 6-month period of limitation provided by section 5705(c) of the 1954 Code, as amended, does not apply to claims for refund of tax on tobacco products withdrawn from the market, lost (otherwise than by theft) or destroyed, by fire, casualty, or act of God, prior to September 3, 1958 (the effective date of the new law), but does apply to claims for refund of tax on such products withdrawn from the market, etc., on or after September 3, 1958, if the tax was paid within three years prior to September 3, 1958, or on or after such date.

Statement on Claims. In respect to tobacco products withdrawn from the market, lost (otherwise than by theft) or destroyed, by fire, casualty, or act of God, on or after September 3, 1958, it will be necessary for the claimant, in addition to showing the date the products were withdrawn from the market, as set forth in Industry Circular No. 58-32, dated November 20, 1958, to make a

statement on the claim as to either the specific day, week, or month of taxpayment, or a general statement that the tax was paid within three years prior to September 3, 1958, or on or after such date.

Inquiries. Inquiries in regard to this industry circular should refer to its number and be directed to your assistant regional commissioner (alcohol and tobacco tax).



Dwight E. Avis
Director, Alcohol and Tobacco Tax Division